

MINUTES OF THE
MEETING OF THE SENATE COMMITTEE
ON GOVERNMENT AFFAIRS

SIXTY-FIRST SESSION
NEVADA STATE LEGISLATURE
April 24, 1981

The Senate Committee on Government Affairs was called to order by Chairman James I. Gibson, at 1:34 p.m., Friday, April 24, 1981, in Room 243 of the Legislative Building, Carson City, Nevada. Exhibit A is the Meeting Agenda. Exhibit B is the Attendance Roster.

COMMITTEE MEMBERS PRESENT:

Senator James I. Gibson, Chairman
Senator Keith Ashworth
Senator Gene Echols
Senator Virgil Getto
Senator James Kosinski
Senator Sue Wagner

COMMITTEE MEMBER ABSENT:

Senator Jean Ford (Excused)

STAFF MEMBER PRESENT:

Frank Daykin, Legislative Counsel
Anne Lage, Committee Secretary

SENATE BILL NO. 508

Creates Colorado River commission.

Mr. Jack Lehman, Chairman Colorado River Advisory Commission, testified that he had been on the commission for the past ten years. This commission acted as an independent agency for thirty-nine years. Then in 1973 it was changed to an advisory committee which took effect in 1974. He stated that he believed the commission should be independent and answer directly to the governor.

Mr. Lehman explained that the commission dealt with most of the water and power which served southern Nevada. He felt that the commission members could be much more helpful and effective as executives with the ability to directly assist staff in negotiations than as advisors who do not really belong at a bargaining table.

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Mr. Lehman stated that there was a need to have a decision making capability in southern Nevada. Blocks of power frequently become available and immediate decisions are required. The five members of the advisory commission are Frank Scott, Evelyn Wachel, Floyd Taggart, Bob Bugbee and Mr. Lehman.

Mr. Noel Clark, Department of Energy Director, testified that this commission had the capabilities to be a state agency.

Mr. Clark stated that if it was to become a state agency, then the composition of the commission would have to become more broadly representative. Presently, the members represented four counties; Clark, Lincoln, Nye and Esmeralda. He felt there should be another commissioner appointed at large to represent the balance of the state, or from some other county than those already represented.

Chairman Gibson asked Mr. Clark if he was aware of the governor's position on this. Mr. Clark stated that he had talked with the governor on this issue, but had received no specific direction from him.

Mr. Duane Sudweeks, Administrator of the Division of Colorado River Resources, testified that he did not advocate either the commission or division structures. He presented his testimony with suggested amendments if this bill was adopted. (See Exhibit C.)

Chairman Gibson asked Mr. Sudweeks if it was his impression that the responsibilities of this agency were confined just to southern Nevada. Mr. Sudweeks stated that he had never felt that this was true. Chairman Gibson emphasized that this was not a southern Nevada agency.

Mr. Frank M. Scott, Colorado River Resources Commissioner, testified that he was the longest serving commissioner. He stated that he had always felt that they were a statewide agency.

Mr. Bob Bugbee, Colorado River Resources Commissioner, testified that he was in support of this bill. He felt that by going from an advisory capacity to a management capacity, they would have a better feel of things and be in a better position to take action on issues which would necessitate immediate decisions.

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Mr. Bugbee testified that he had talked to the governor before the bill was introduced. Although the governor had not taken a position on this bill, he did not tell the commissioners not to introduce it, so it was their understanding that he must not be against it.

Mr. Donald L. Paff, Las Vegas Valley Water District, presented his testimony to the committee members in support of Senate Bill No. 508. (See Exhibit D.)

SENATE BILL NO. 507

Authorizes county commissions to prohibit houses of prostitution as nuisances under certain conditions.

Senator William Hernstadt, prime sponsor, testified to the background which resulted in this bill being introduced. Senator Hernstadt indicated that the brothel in question was temporarily closed because of an alleged violation of the non-advertising provision which was passed out of the legislature last session.

Senator Hernstadt stated that families in the area were being impacted by people traveling back and forth to this brothel. This bill would provide that county commissioners may close houses of prostitution if it had been proven that they were a nuisance to the residents of the area. This particular brothel in Nye County was only accessible by traveling on roads which went through a residential area.

Senator Hernstadt distributed three letters from residents in the area expressing the problems which they had encountered. (See Exhibit E.) He also stated that the sheriff from that area had sent a special delivery letter which contained six police complaints that were filed by residents with regard to this problem. This letter had not arrived in time for the committee hearing.

Senator Wagner asked why the counties could not control this problem without resorting to regulation by state law. Senator Hernstadt stated that it was his understanding that brothels could be prohibited if it was proven that they were a nuisance. As no one resided next to this one, it was hard to show that it was a nuisance. The problem had mainly been with the customers who were frequenting the establishment. The basic problem was with the definition of public nuisance. As it stood now, it was not sufficient to close this brothel.

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The committee did not take any action on Senate Bill No. 507 this date. Mr. Daykin will submit a legal opinion on this bill.

ASSEMBLY BILL NO. 374

Authorizes boards of county commissioners to award grants to nonprofit organizations for certain purposes.

Mr. David Hoggard, Executive Director Economic Opportunity Board, testified that this board was a private nonprofit organization. He stated that this bill was introduced to enable county commissioners to make allocations from the general fund to nonprofit organizations.

Mr. Hoggard stated that Las Vegas, North Las Vegas, Henderson and Clark County had given financial support to the Economic Opportunity Board over the years. According to an Attorney General's opinion, donations of this type did not have statutory authority.

This bill would not obligate the governmental entities to contribute, rather it would give them authority to do so if they so desired.

In response to Senator Wagner's question, Mr. Frank Daykin, Legislative Counsel, explained that there was no single list of what a county was authorized by law to do. The underlying principle was that a county had no power to do anything that was not expressly authorized by statute or authorized by necessary implication from some of those expressed powers. He also stated that this bill, as it was presently worded, would not accomplish what its introducers had hoped it would.

Mr. Hank Etchemendy, Civil Engineering Land Surveying Consulting Firm in Carson City, testified that one of his clients was the Eureka Water Association. They have a need to upgrade their water system. They would hope that this bill would address itself toward grants for this water system. Mr. Etchemendy urged support of this bill.

Chairman Gibson assigned Senator Wagner to meet with Mr. Daykin and come up with language which would be broad enough to satisfy the various nonprofit organizations' problems.

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ASSEMBLY BILL NO. 96

Broadens definition of "independent candidate" and makes certain other changes to election laws.

Mr. Bill Swackhammer, Secretary of State, testified that the summary on this bill was misleading. This bill would change the words "registration slip" to "affidavit of registration". The number of days for a person to withdraw his candidacy was cut down from five to three working days to allow the county clerks a couple of extra days to get the absentee ballots ready.

Mr. Swackhammer also explained that section 4 repealed a definition of a punch card ballot which is now adequately defined in Nevada Revised Statute No. 293.

Senator Keith Ashworth moved "Do Pass" on Assembly Bill No. 96.

Senator Wagner seconded the motion.

The motion carried unanimously.

ASSEMBLY BILL NO. 167

Consolidates and reconciles provisions for bonding and levy of special assessments.

Mr. Frank Daykin explained that the amendment from the Assembly would provide funds in the assessment districts.

Chairman Gibson stated that this bill had been heard before in a joint hearing of the Assembly and Senate Committees on Government Affairs.

Mr. Donald L. Paff, General Manager and Secretary of the Las Vegas Valley Water District, presented his testimony requesting that the Water District Act remain intact for general obligation and revenue bonds. (See Exhibit F.)

Mr. Daykin explained that this bill required a greater extent of coverage than the Water District Act; 1.33 compared to 1.0.

Mr. Henry Chanin, Burrows, Smith and Company, testified that one of the reasons for this bill was to make it easier for local (especially the rural) governments to look at the statutes and find all the necessary information for issuing bonds in one

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place. As they considered consolidation, it was decided to include the Water District. However, after talking with Donald Paff and Jim Widener, Mr. Chanin agreed that there was a good argument to be made for leaving the Las Vegas Water District out of this bill. This decision was made due to their successful history of selling bonds.

Chairman Gibson asked Mr. Chanin if the Water District's procedure was so good, why wasn't it in the act. Mr. Chanin stated that portions of their procedures were in the act. Discussion was held regarding the possibility of having a 1 to 1 coverage ratio in this bill as it was in the Water District Act.

Chairman Gibson assigned Mr. Daykin to meet with Mr. Chanin and Mr. Paff to work out amendments to this bill which would give consideration to what was best for all concerned.

Mr. Chanin referred to Page 7 wherein the local governments' securities was amended to liberalize the mechanics of refunding if the market ever came back. He suggested that the state securities law, particularly Nevada Revised Statute No. 349.340, be similarly changed to provide the state the same flexibility that the bill provided for the local governments.

Mr. Daykin also pointed out that the University law would benefit from these changes.

ASSEMBLY BILL NO. 366

Simplifies description of territory proposed to be annexed required before public hearing.

Mr. Mike Cool, City of Las Vegas, testified that this bill would simplify the description of the territory proposed to be annexed prior to a public hearing on the subject. He distributed his testimony on this bill to the committee. (See Exhibit G.)

Mr. G. P. Etcheverry testified that the League of Cities was in concurrence with this bill.

Senator Wagner moved "Do Pass" on Assembly Bill No. 366.

Senator Getto seconded the motion.

The motion carried unanimously.

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SENATE BILL NO. 295

Authorizes school districts to issue bonds approved by electors before effective date of act at any rate of interest.

Senator Getto moved "Indefinite Postponement" on Senate Bill No. 295.

Senator Wagner seconded the motion.

The motion carried unanimously.

SENATE BILL NO. 382

Enables local governments to purchase development rights to land.

Senator Getto moved "Indefinite Postponement" on Senate Bill NO. 382.

Senator Echols seconded the motion.

The motion carried unanimously.

BILL DRAFT REQUEST NO. 22-1770 (S.R. 608)

Limits rate of residential construction tax imposed to provide parks and playgrounds.

Senator Echols explained this bill draft request and the committee agreed to submit it for committee introduction.

There being no further business, meeting was adjourned at 3:55 p.m.

Respectfully submitted by:

Anne L. Lage
Anne L. Lage, Secretary

APPROVED BY:

James I. Gibson
Senator James I. Gibson, Chairman

DATE: May 13, 1981

DEPARTMENT OF ENERGY
DIVISION OF COLORADO RIVER RESOURCES
TESTIMONY REGARDING SENATE BILL NO. 508
SENATE COMMITTEE ON GOVERNMENT AFFAIRS
APRIL 24, 1981

EXHIBIT C

MR. CHAIRMAN AND COMMITTEE MEMBERS, I AM DUANE SUDWEEKS, ADMINISTRATOR OF THE DIVISION OF COLORADO RIVER RESOURCES.

AS THIS COMMITTEE IS WELL AWARE, THE REVISIONS CONTAINED IN SENATE BILL NO. 508 CHANGES THE ORGANIZATIONAL STRUCTURE OF THE DIVISION OF COLORADO RIVER RESOURCES FROM A DIVISION WITHIN THE STATE DEPARTMENT OF ENERGY TO A STATE AGENCY CONTINUING ITS PRESENT FUNCTIONS UNDER THE DIRECTION OF A NEWLY CREATED COLORADO RIVER COMMISSION. I BELIEVE THE ORGANIZATION OF STATE GOVERNMENT IS CLEARLY A MATTER FOR THE LEGISLATURE TO DECIDE. OUR AGENCY HAS FULFILLED ITS STATUTORY RESPONSIBILITIES UNDER BOTH THE COMMISSION AND DIVISION STRUCTURES AND I DO NOT ADVOCATE ONE FORM OVER THE OTHER.

I WOULD, HOWEVER, LIKE TO TAKE THIS OPPORTUNITY TO IMPRESS UPON THIS COMMITTEE AND THE LEGISLATURE AS A WHOLE THAT THE PROGRAMS, RESPONSIBILITIES AND AUTHORITIES PRESENTLY EXISTING WITHIN THE DIVISION ARE NECESSARY AND VITAL FACTORS TO THE WELL BEING OF THE STATE. SUCH PROGRAMS AND RESPONSIBILITIES MUST BE CARRIED FORWARD REGARDLESS OF THE STRUCTURE DETERMINED TO BE MOST DESIRABLE.

FOR OVER 40 YEARS THE EXISTENCE OF AN AGENCY RESPONSIBLE FOR COLORADO RIVER RESOURCES IN NEVADA HAS RESULTED IN THE DEVELOPMENT

OF STRONG, FIRM AND IMPORTANT RELATIONSHIPS WITH THE SEVEN STATES OF THE COLORADO RIVER BASIN AS WELL AS CERTAIN FEDERAL AGENCIES. THE CONFIDENCE OF ALL, PARTICULARLY THOSE WITH WHOM NEVADA HAS CONTRACTUAL RELATIONSHIPS, MUST BE MAINTAINED. THE PROGRAMS IN WHICH THE AGENCY PARTICIPATES, BOTH NOW AND IN THE FUTURE, RELATING TO THE COLORADO RIVER RESOURCES, IN MY OPINION, MUST BE PRESERVED.

I WISH TO EMPHASIZE THAT THE COLORADO RIVER PRESENTLY SERVES AS A MAJOR SOURCE OF WATER SUPPLY NOT ONLY TO THE LAS VEGAS VALLEY BUT TO THE ENTIRE SOUTHERN NEVADA AREA. THIS WATER SUPPLY AND THE OTHER BENEFITS TO BE ACCRUED FROM THE RESOURCE, INCLUDING POWER AND RECREATION, MUST BE ATTENDED WITH GREAT CARE. THE FUTURE INVESTMENT BY NEVADA AND THE ADVOCACY POSITION NECESSARY FOR NEVADA IN THIS RESOURCE MUST, IN MY OPINION, NOT BE NEGLECTED BUT ENHANCED. ABSENCE OF VIGOROUS APPLICATION OF THIS POLICY BY THE STATE COULD RESULT IN NEAR AND FUTURE PENALTIES THROUGH LACK OF ATTENTION TO THIS MOST UNIQUE AND VALUABLE STATE RESOURCE.

THE DIVISION'S ACTIVITIES HAVE BEEN, WITH MINOR EXCEPTIONS, WHOLLY SELF-SUPPORTING VIA AN ADMINISTRATIVE CHARGE INCLUDED IN SALES OF WATER AND POWER BY THE DIVISION. THIS ADMINISTRATIVE CHARGE COVERS NOT ONLY THE DIVISION'S ADMINISTRATIVE ACTIVITIES, BUT ALSO ITS PARTICIPATION WITH THE OTHER BASIN STATES AND THE UNITED STATES IN PROGRAMS FOR THE PROTECTION AND ENHANCEMENT OF THE RIVER'S RESOURCES. THE INTERESTS OF THE USERS OF THE RESOURCES ARE THEREFORE PROTECTED, AND PROVISIONS ARE MADE FOR FUTURE DEVELOPMENT AND PROTECTION FOR THE BENEFIT OF THE PEOPLE OF THE STATE.

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE, I HAVE CAREFULLY REVIEWED S. B. 508 AS IT RELATES TO THE EXISTING AUTHORITIES AND

RESPONSIBILITIES OF THE DIVISION. BASED UPON MY REVIEW, I OFFER FOR THE COMMITTEE'S CONSIDERATION SOME AMENDMENTS WHICH I BELIEVE WOULD CLARIFY THE LANGUAGE OF THE BILL IF THIS ORGANIZATIONAL MODIFICATION IS MADE.

SUGGESTED AMENDMENTS TO SENATE BILL 508

Page 3, Lines 36 through 39

538.101 1. While engaged in official business of the commission, each commissioner [shall be] [and employee of the commission] is allowed \$40 per day compensation and each commissioner and employee of the commission is allowed the per diem expense allowance and travel expenses provided by law.

The following is amendatory language which should be added to Senate Bill 508:

NRS 284.175 Section 5(b)

Apply to physicians, surgeons, dentists or veterinarians in fulltime employment with the state, to the state welfare administrator, or to engineers employed by the state public works board or the [division of Colorado River resources] Colorado River Commission.

During regular legislative sessions salaries for the classified service of the state shall be set based upon the prevailing rates paid in government and industry for comparable jobs within the State of Nevada and western states, where appropriate.

The titles in NRS 284.182 must be amended to correspond to the language of Senate Bill 508.

SUGGESTED AMENDMENTS TO SENATE BILL 508 (continued)

There are other statutes and bills pending before the legislature which refer to the division of Colorado River resources that must also be changed to correspond to the language of Senate Bill 508.

TESTIMONY OF DONALD L. PAFF
BEFORE SENATE GOVERNMENT AFFAIRS COMMITTEE
ON SB-508, APRIL 24, 1981

EXHIBIT D

My name is Donald Paff. I am appearing before you today in support of SB-508. My testimony on SB-508 is as a citizen of Nevada not representing any agency or group.

The legislation before you today would reinstitute the commission form of organization that existed for some 39 years prior to 1973. In 1973 the Colorado River Commission was converted to the Division of Colorado River Resources, a division under the Department of Conservation and Natural Resources. That organizational structure lasted from 1973 to 1976 when the legislature transferred the Division of Colorado Resources into the Department of Energy as one of the three divisions within that newly created department in 1977.

As Administrator of the Colorado River Commission beginning in 1971, and later as the Administrator of the Division of Colorado River sources until 1978, I experienced the organizational structures under the Colorado River Commission within the Department of Conservation and Natural Resources, and within the Department of Energy. It is noteworthy to indicate that, during these changes of organizational structure, the legislature made no reductions to its responsibility and authorities of the commission or division as it pertains to land, Colorado River water resources, and electrical energies. If anything, during that period, the legislature enhanced the statewide responsibilities in the area of electric power and energy acquisitions.

It is of additional interest to note that none of the departments, conservation and natural resources, nor energy, encompassed all of the responsibilities of its division. That is, for example, the Department of Energy is responsible for energy related functions, and its division has land, water and energy responsibilities. Also, except for some special cases, the Division of Colorado River Resources and predecessor Colorado River Commission is totally self funded.

It is my opinion that all organizational structures have worked, but that there is an added positive dimension in the commission form as existed prior to 1973.

Mr. Chairman and members of the Committee I would be pleased to answer any questions that you may have.

Shirley G. Walker
Box 461
Gabbs, Nevada
89409

April 9, 1981

EXHIBIT E


Mr. William Hernstadt,
Senator, Clark Co.
Nevada State Legislature
401 S. Carson
Carson City, Nevada
89710

Dear Mr. Hernstadt;

As a private citizen in Nye County I wish to let you know that I strongly support your bill SB-507, to allow county commissioners to prohibit houses of prostitution as public nuisances where they are located within a residential area or within a specific distance from churches, schools or residential areas.

I feel this bill would solve many problems for Nye County and other counties as well.

Sincerely yours,


Shirley G. Walker

SW/sw

cc. Ken Redelsperger

① I never saw the man crying

The second time the car I had seen,
ran her off the road, her pulling on to
the shoulder and causing her to fall in
the low ditch. She jumped up and got
back on her feet and the car bumped
in front of her, causing her and the bike
to fall again. This time the driver
jumped out and said "This was your
chance to go as far as we thought, we all
just take this little 'cutie'. As he
was coming around the car she jumped
on her feet and tore off. The car turned
down towards the "Chicken Ranch".

Having said turned down at the
time, the incident really frightened her,
so fast, to the point that the bike
was gone in the time and she only
knew during the time it says she even
knew what had been going on and how
she knew why. Coming back the man on
the passenger side had his head rolled
over to the side, like he was passed out
and never said anything, like I thought
the driver kept addressing his remarks to
him.

I will assume that there was (?)
some on their way to the "Chicken Ranch"
and no doubt got in and out of the
premises in time.



Thank you so much and please let
this incident if you can

Sincerely,
Wm. Hansen, Lloyd
Star Co. Box 7620
February 22, 1941

To Senator Stewart

April 17, 1981

Re: Brothel Nuisance Bill

On behalf of my husband & myself we are writing this letter in regards to the brothel, known as the "Chicken Ranch," owned by Walter Blankington, in Pahrump, Nevada. We are against this operation here in our valley and consider it a definite nuisance.

In 1978, our daughter age 13, was waiting for her bus on Homestead Rd, when she saw a bus approaching at a high & reckless rate of speed. She was startled to a stop, & backed up to where she was standing. Two men then proceeded into the bus & of whose frighten her, then went on up to Hwy 160 where a bus load of children on their way to school, were run off the road, by these careless, drinking men.

The bus driver Mrs. Franie Santorita filed a written report along with us to the Pahrump Sheriff's office. They were later picked up heading towards Indian Springs, and admitted to drinking at the Chicken Ranch brothel earlier that morning and drinking.

To get to this brothel, two main roads in Pahrump must be used, and some residents are bothered for the directions to this operation.

The families of this community do not
appreciate the kind of people this operation
brings to our valley, and we do consider
this a great nuisance to our valley.

Respectfully yours,

Wm & Mrs James D. Munson

TESTIMONY OF DONALD L. PAFF
BEFORE THE SENATE GOVERNMENT AFFAIRS COMMITTEE ON AB-167
APRIL 24, 1981

My name is Donald L. Paff. I am the General Manager and Secretary of the Las Vegas Valley Water District. With me today is Mr. James Widner, Chief of Administrative Services and Treasurer. He is the chief financial officer of the Water District.

The Las Vegas Valley Water District is significantly affected by AB-167 in that it repeals all sections of the Las Vegas Valley Water District Act (Chapter 167 of the 1947 Statutes as amended) that relate to General Obligation Bonds, Revenue Bonds and repeal all of the sections that deal with the formation of assessment districts and subsequent sale of assessment district bonds. We are here today to encourage the committee to leave the Water District Act intact for General Obligation and Revenue Bonds and to endorse the action in AB-167 which would consolidate all assessment district proceedings for the Water District, cities, counties, etc., into NRS 271. Many sections of NRS 271 may work to the benefit of the Water District and, in turn, the property owners in installation of water facilities through assessment district proceedings, thus, the use of the assessment district features currently in the Water District's Act, along with the option of use of NRS 271 would be most beneficial.

There are several general and technical reasons for requesting the District Act remain intact with regard to General Obligation and Revenue Bonds. The District Act has been tailored for our needs over a 30 year span. It works quite well as measured by our bond ratings, acceptance of our bonds in the marketplace, and past successes of issuing over \$100-million in G.O. Bonds.

AB-167 has a number of features that more or less consolidate bonding authorities into one cohesive package. Beyond that, it has one major philosophical change to the methodology for approval of G.O. Bonds, that is, if the municipality will pledge gross or net revenues and have a covered ratio of 1.33 times, they can potentially avoid a vote on those G.O. Bonds by a proclamation process, notifying their constituents of the plans to sell G.O. Bonds and giving them an opportunity to file a petition calling for an election. The Water District, by action of the State Legislature in 1973, was given the same latitude for issuance of G.O. Bonds. I am sure that one major influencing factor then was that each of our prior bond issues had a majority vote of near 80 percent and that the general attitude for water development throughout the valley is and continues to be positive.

Giving the Water District that flexibility, in our opinion, has proven to have been a good decision by the State Legislature. It is now possible to get an increment of G.O. Bonds out quickly and, therefore, take advantage of a rising bond market and avoid the cost of conducting a bond election. Incidentally, the Water District, since the adoption of that procedure in our Act, has sold \$50-million in bonds and has gone through the publication of a proclamation six times so far without one single property owner or rate payer either submitting a petition or even voicing opposition to that process or, more generally, opposing the sale of additional bonds.

As written, AB-167 requires a coverage ratio of 1.33 times. We don't feel this ratio can or should be universally for all issuers. The Water District now is required to have a 1.0 times coverage ratio

and, in the early years of the Water District's life, it was 1.4 times. This ratio may and does change by the general level of creditworthiness of the issuer. The end product of requiring a 1.33 times coverage instead of a 1.0 would mean higher water rates just to adhere to the coverage ratio. This requirement would be especially critical when Stage II of the Southern Nevada Water System starts up in 1982 when water rates are expected to go up 25 percent to 30 percent.

Further reasons we would like to see the Water District Act remain in tact for G. O. and Revenue Bonds are centered around detailed application of NRS 350 versus the Water District Act, such things as how revenue is pledged in the District Act as compared to NRS 350. The District Act Revenue, in general, is placed against all bond debt service whereas in NRS 350, the pledge of revenues could be interpreted to be against the single project. For instance, if the bond issue is to finance a new reservoir, the revenue from that reservoir would have to be pledged and would be very hard, if not impossible, to identify. Secondly, there are various levels of security for bonds depending on when they are issued and the financial liability of the projects being built. In effect, a bond issue to finance a high revenue producing project would have a higher rating than a bond issue to finance a lower revenue producing project. If AB-167 applies, such complications may force the Water District into issuing revenue bonds to maintain equal parity with bonds previously sold and keep the new bonds highly marketable. We fear that revenue bonds in general will have a higher interest cost than G. O. bonds.

The method provided in the District Act for levying taxes for debt service is more flexible and precise if taxes were ever needed to be levied for the coverage of debt service. The current Act has wide acceptance by bond holders throughout the United States partly because of this. Changes to make that more complex and less flexible may have a long term negative effect on the interest rate on Water District Bonds.

There are also complications in NRS 350.596 and related sections as to the order of priority of expenses since it contradicts existing District Bond covenants.

In summary, we would like to see NRS 350 remain optional as it is today leaving the District Act intact for G. O. and Revenue Bonds, which is in the best interest of the Water District and the users in the long term effect on interest costs and the resulting effects on water rates.

Mr. Chairman and members of the committee we will be pleased to answer any questions you may have.

AB366 is a bill sponsored by the City of Las Vegas intended to simplify the description of territory proposed to be annexed prior to the public hearing on the subject.

Current statute requires the City to prepare a report describing the territory proposed for annexation in metes and bounds description. In addition to this report, a metes and bounds description must be published with the notice of public hearing on the proposed annexation.

The problem that occurs is that those citizens affected by the proposal are not usually accustomed to the metes and bounds method of describing territory, so the City must describe the territory in more general terms.

I have handed out an example of a metes and bounds description to you. As you will see, it is generally a listing of the surveyed coordinates in distances, bearings and degrees of the parcel of land described. This description is not only difficult for the layman to understand, but is expensive to list in the newspapers' notice of public hearing.

Included in the attachments I have given you are examples of other methods of territory descriptions we could use where appropriate:

1. "lots and blocks" description if the property has already been subdivided such as: lot 38, block 10 of the Lewis Homes Sahara Subdivision;
2. "rectangular surveys" description if the property has not been subdivided such as: "that portion of the Northwest Quarter (NW 1/4) of Section 31, Township 20 So.;
3. if the property allows a more general description, streets and directions could be utilized such as: "an area bounded by Kaylin Drive to the West and Burton Way to the South, 1/2 block to the East, with a parcel depth of 80 feet".

If the property proposed to be annexed has not been subdivided and it is a non-rectangular shape, a "metes and bounds" description would be used to give accurate distances, bearings and degrees.

In any case, we are asking for the flexibility to describe the property by that method best suited to give an accurate but simplified description. The deletion of the requirement to always use a metes and bounds description and allow for that type of description which more accurately fits the parcel's boundaries would be easier understood by the general public and less expensive to prepare.

In closing, I should mention that if after a public hearing and governing board approval, a parcel is recommended for annexation, NRS 268.596 still would call for an actual metes and bounds description in order to complete the legal requirements for a recording of the annexed territory. AB366 only proposes to simplify the description of the property proposed to be annexed for the public hearing and the posting of the public notice.

We would appreciate your support in this matter and I'd be happy to try and answer any questions I can.

EXAMPLE METES AND BOUNDS DESCRIPTION

Being that portion of the Northwest Quarter (NW 1/4) of Section 31, Township 20 South, Range 61 East, M.D.M., City of Las Vegas, Clark County, Nevada, described as follows:

COMMENCING at the Southwest Corner of the Northwest Quarter (NW 1/4) of said Section 31; thence North $0^{\circ}16'07''$ West, along the westerly line thereof, 996.84 feet; thence departing said west line North $89^{\circ}43'53''$ East, 50.00 feet to a point on the east right-of-way line of Decatur Boulevard, said point also being the TRUE POINT OF BEGINNING; thence North $0^{\circ}16'07''$ West, along said east right-of-way line of Decatur Boulevard, 232.23 feet; thence tangent to the last named bearing curving to the right along a curve having a radius of 50.00 feet, through a central angle of $90^{\circ}37'36''$ an arc length of 79.09 feet to a point of reverse curvature on the South Line of Meadows Lane as shown by a plat of "The Meadows" on file in the Clark County Recorder's Office as page 56 of Book 18 of plats; thence tangent to a bearing of South $89^{\circ}38'31''$ East, curving to the left along said South Line of Meadows Lane along a curve having a radius of 1490.56 feet through a central angle of $11^{\circ}45'35''$ an arc length of 305.93 feet; Thence North $78^{\circ}35'54''$ East, 34.96 feet; thence North $00^{\circ}45'48''$ West, 5.09 feet; thence South $89^{\circ}38'31''$ East, 51.01 feet; thence South $00^{\circ}45'48''$ East, 107.84 feet; thence North $89^{\circ}32'59''$ West, 25.51 feet; thence South $00^{\circ}45'48''$ East, 319.22 feet; thence North $89^{\circ}32'59''$ West, 218.13 feet; thence North $00^{\circ}16'07''$ West, 100.00 feet; thence North $89^{\circ}32'59''$ West, 200.00 feet to the TRUE POINT OF BEGINNING.

EXHIBIT "A"

Example: LOTS AND BLOCKS DESCRIPTION

Lot 38, block 10 of the Lewis Homes Sahara Subdivision.

Example: RECTANGULAR SURVEYS DESCRIPTION

That portion of the Northwest Quarter (NW 1/4) of Section 31, Township 20 South.

Example: GENERAL DESCRIPTION

An area bounded by Kaylin Drive to the West and Burton Way to the South, 1/2 block to the East, with a parcel depth of 80 feet.

EXHIBIT B